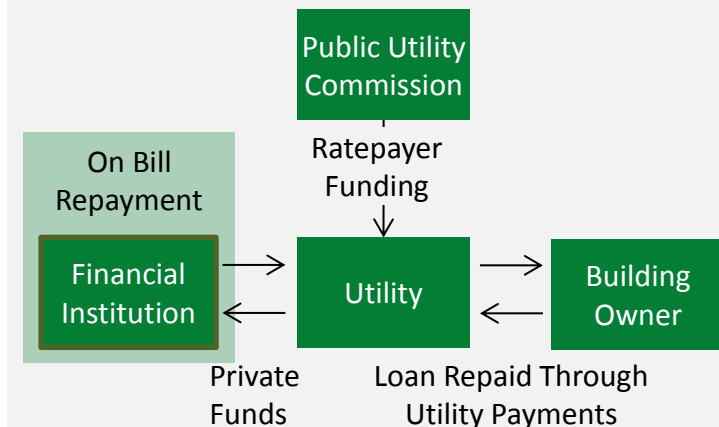


On Bill Financing / Repayment

The utility (or another third party associated with the utility) loans money to building owners for efficiency investments. The building owner in turn repays that funding through a monthly charge on the utility bill.

Utilities offering On Bill Financing

- [Pacific Gas and Electric \(PG&E\)](#) (CA)
- [Southern California Edison](#) (CA)
- [San Diego Gas and Electric](#) (SDG&E) (CA)
- National Grid ([MA](#), [NY](#), [RI](#))
- [How\\$mart](#) (KS)
- [CN Light & Power](#) (CN)
- [United Illuminating](#) (CN)
- [New Hampshire Electric Co-Op](#) (NH)
- [Alliant Energy](#) (MN and WI)
- [NYSERDA](#) (New York)



What is the On Bill Model?

- A utility or other third party provides the capital for energy efficiency upgrades
- Repayment occurs in tandem with utility billing/payment
- The loan is transferred to new owners if the building is sold

Benefits

- Owner need not pay for upgrades out-of-pocket
- These programs tend to have very competitive interest rates
- In some cases repayment responsibility may stay with property (not the owner) if the owner decides to sell

Challenges

- Limited availability at this time
- Often the first mortgage lender's approval is necessary to alleviate the primary debt holder's concerns in the event of default
- Utilities may limit the loan amount, so more expensive retrofits may be precluded
- Utilities may be reluctant to embrace on-bill financing as it shifts at least part of the loan administration burden to them

Resources

- [ACEEE On Bill Financing Report](#)
- [EDF On Bill Repayment Overview](#)